



Carnegie Mellon
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Lessons Learned from Adopting CMMI for Small Organizations

***Sponsored by the U.S. Army Aviation and Missile
Research, Development & Engineering Center
(AMRDEC) Software Engineering Directorate (SED)***

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Report Documentation Page				Form Approved OMB No. 0704-0188	
Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.					
1. REPORT DATE MAR 2005		2. REPORT TYPE		3. DATES COVERED 00-00-2005 to 00-00-2005	
4. TITLE AND SUBTITLE Lessons Learned from Adopting CMMI for Small Organizations				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Carnegie Mellon University,Software Engineering Institute,Pittsburgh,PA,15213				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT Same as Report (SAR)	18. NUMBER OF PAGES 24	19a. NAME OF RESPONSIBLE PERSON
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified			



Agenda

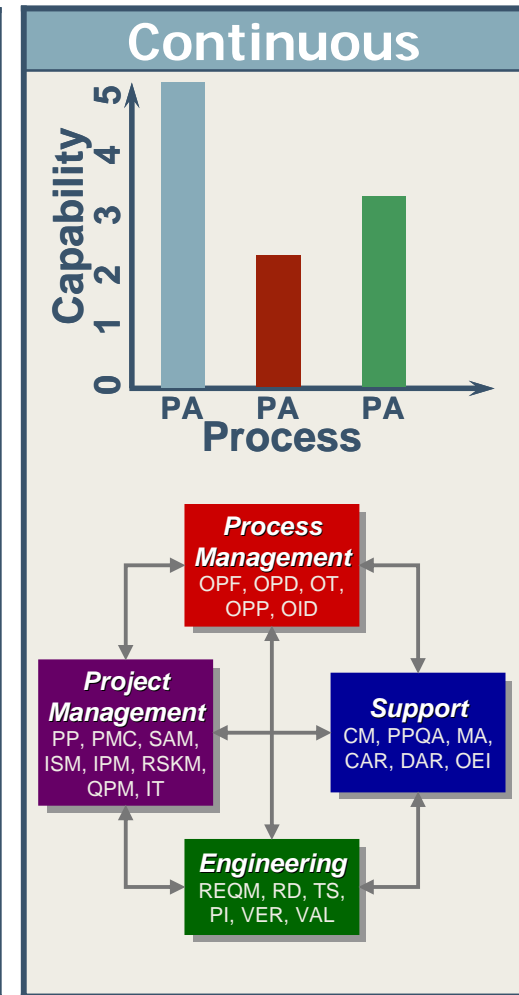
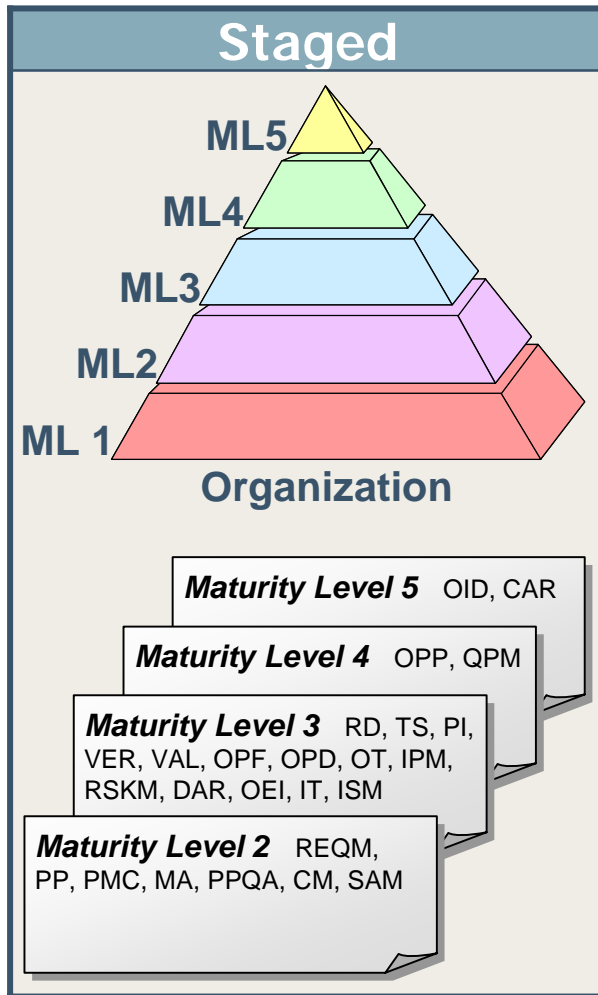
- CMMI Overview
- Pilot Overview
- Adoption of CMMI by ASI and Lessons Learned
- How Pilot Artifacts Can Help Small Businesses



What is the CMMI Model?

- CMMI Is a Process-Improvement Model that provides a set of Best Practices that address productivity, performance, costs, and stakeholder satisfaction
- CMMI Is *NOT* a set of “Bolt-On Processes” that last only as long as the wheel is squeaking. CMMI provides a consistent, enduring framework that accommodates new initiatives
- CMMI focuses on the total-system problem, unlike other predecessor CMMs
- CMMI facilitates enterprise-wide process improvement, unlike single-discipline models

CMMI In A Nutshell



- *Two Representations Per CMMI Model*
- *One Appraisal Method (SCAMPI SM)*



Pilot Overview



Pilot Project Overview

A joint project performed by the partnership between the Software Engineering Institute (SEI) and AMRDEC SED to establish the **technical feasibility** of developing guidance and other special-purpose transition mechanisms to support adoption of CMMI by **small and medium enterprises** (25 to 250 employees in Huntsville)

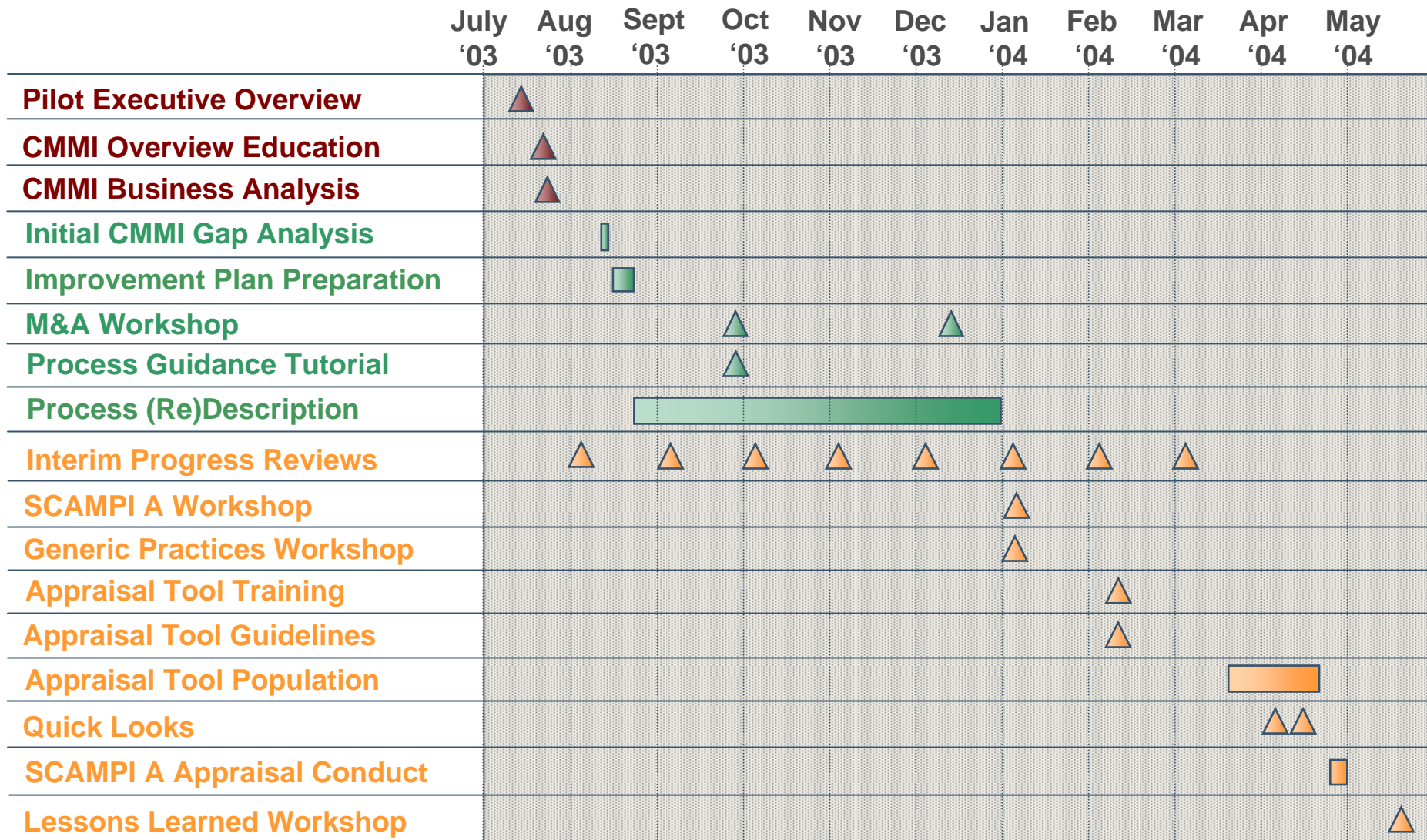
Selected 2 Pilot companies: Analytical Services, Inc. (ASI) and Cirrus Technology, Inc. (CTI)

- Presentation today focuses on ASI lessons learned

Pilot artifacts will be available at the SEI website by the end of the year

- Toolkit
- Experience reports (one for each company)

CMMI Small Business Pilot Schedule



Contact/Awareness



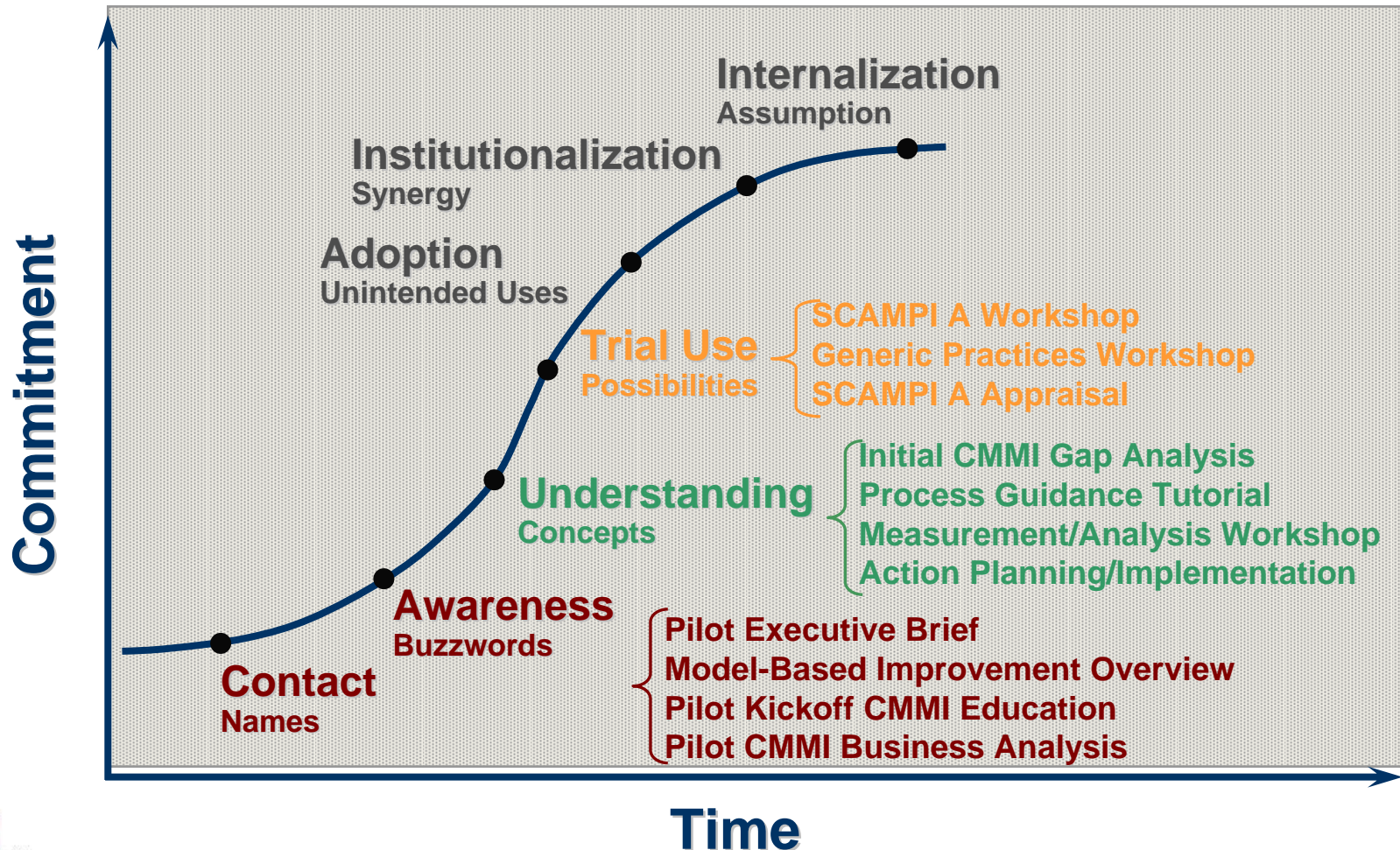
Understanding



Trial Use



Summary of Materials Provided by Pilot





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Adoption of CMMI by ASI and Lessons Learned



Jack Conway

Vice President Systems Management
CMMI Pilot Project Coordinator

Analytical Services, Inc.
Huntsville, Alabama





Company Profile

Analytical Services, Inc.

- Management and Technical Services Company
- Incorporated in 1992
- Hispanic, Woman-Owned, Small Disadvantaged Business
- ISO 9001:2000 Registered/Successful CMMI SCAMPI A Appraisal
- Top Secret Facility

**Information
Technology**

**Systems Engineering/
Program Management**

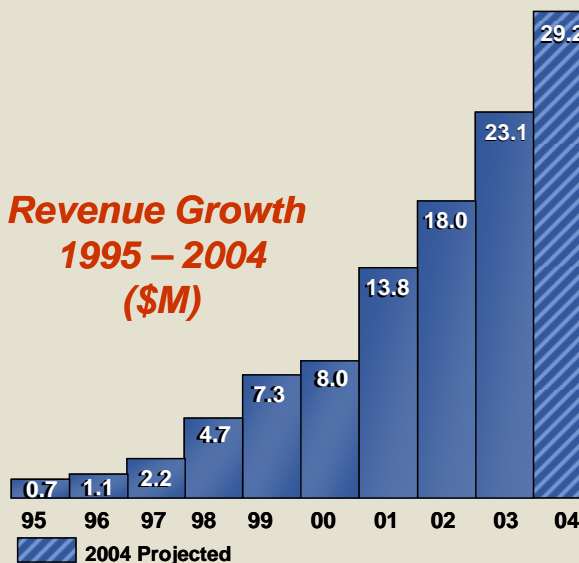
**Core
Competencies**

**Engineering and
Scientific Analysis**

**Professional and
Organizational Development**



**Revenue Growth
1995 - 2004
(\$M)**





About ASI

- **Customer base:**

- Army
- Air Force
- National Aeronautics and Space Administration (NASA)
- Defense Information Systems Agency (DISA)
- Defense Finance and Accounting Services (DFAS)
- Missile Defense Agency (MDA)
- Office of the Secretary of Defense (OSD)

2003 - NASA's Woman Owned Business of the Year

2002 - BBB Torch Award for Marketplace Ethics

2001 - National Minority Business of the Year by the U.S.
Small Business Administration in Washington D.C.



ASI's Process Improvement History

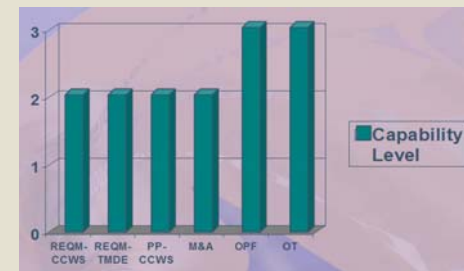
Development of our Quality System

- Until '02, written corporate policies - few written processes
- 2002 - Began investigation of Quality Systems – ISO 9001-2000
 - Worked with consultants from local university
 - Mentor Protégé Program provided guidance
- Nov '02 – Mar '03 - Established Quality Management System (QMS)
- Feb '03 - Pre- Assessment NQA Audit (external)
- Mar '03 - External certification audit for ISO 9001-2000 Registration -NQA
- May '03 - Selected to participate in CMMI Small Business Pilot Project
- Jun '03 - ISO Audit - 3 Month Registration Surveillance Audit
- Aug '03 - Initiated CMMI Pilot Project – (Continuous Representation)
- Apr '04 - ISO Audit - 2nd Surveillance Audit
- Apr/May '04 - Completed Pilot - SCAMPI A Appraisal of 5 process areas.
 - Achieved Target Capability Level Profile
- Oct '04 - ISO Audit - Oct '04 - 3rd Surveillance Audit



ASI CMMI Adoption

- Selected to participate in CMMI Small Business Pilot Project – May '03
- Initiated CMMI Pilot Project – Aug '03
 - Project Planning (PP)
 - Requirements Management (REQM)
 - Measurement and Analysis (M&A)
- Completed Pilot in May '04 – Culminated with SCAMPI A Appraisal
- Appraisal of 5 process areas with addition of:
 - Organizational Training (OT)
 - Organizational Process Focus (OPF)
- Achieved Target Capability Level Profile





ASI Adoption Objectives

- Must be affordable!
- Fit with Quality Management System (QMS)
- Adopt without dedicated overhead
- Useful for mission objectives and customer work
- Non interference with customer projects
- Recognized by customers
- Benefits and measurable pay-off
- Achievable within time frame
- Broader application than just software
- Long term benefit
- Additional revenue



Adoption Approach

Used for Pilot Project

- Assigned to single business unit with multiple direct customer programs.
- Focus on systems engineering and application development
- Multi-level team: technical, managers, quality coordinator and executive.
- Develop processes to address real situations, using real data
- Listen to the consultants!
- Experiment with tools offered.
- Action, action, action.
- Stay on schedule!
- Regular sessions – weekly phone cons/monthly sessions.
- Use action lists and minutes to hold ourselves accountable.
- Readjust when overcome by events.

Adoption Activities & Statistics

ASI Pilot Program

	Total	Team Mtngs.	Telecons	Process Develop	Training & Awareness	Implementation	Appraisal Prep	Appraisal
Exec. Lead	286	96	80	40	24	10	20	16
PM	240	80	60	40	24	20	12	4
PM	252	96	80	40		20	12	4
SW Eng.	312	96	80	60		30	40	6
Prog Analyst	144	60	50	20		10		4
SW Developer	124	60	50			10		4
SW Eng.	134	80	50					4
QA	206	60	50		24		40	32
QA	50	30	20					
Prog Control	30					20	4	6
SW Developer	42				12	30		
Executive	76	35				33	4	4
Workforce	45	25						20
Total Hours	1941	718	520	200	84	183	132	104
% of Hours		37%	27%	10%	4%	9%	7%	5%
Total Cost	\$138,833	\$52,219	\$36,662	\$15,621	\$5,510	\$13,348	\$8,753	\$6,719
% of Cost		38%	26%	11%	4%	10%	6%	5%



Benefits from CMMI Adoption

- Participation in Pilot extremely beneficial for ASI
- CMMI Adoption has been worth investment
 - CMMI adoption enhanced and improved our QMS
 - Natural follow-on to ISO and provides continuous improvement
 - Improved ability to organize and communicate status of projects to customers and other stakeholders
 - Addresses customer projects with processes
 - Reduced training time for new employee
 - Prevented requirements creep and ensured on-time and below budget project completion
 - Supports company objectives
 - Provides path for taking the company to the next level

Lessons Learned – Small Business Implementation



- Small Business needs to realize pay off quickly
- Customer driven requirements are significant (de)motivator
- Small businesses do not have staff dedicated solely to CMMI implementation – customer requirements take priority and can cause delays
- There is not a lot of functional organization to leverage from in a small business
- CMMI is easier to interpret for product development than for services – Small Businesses are typically more service oriented

Lessons Learned –Small Business Implementation



- ISO 9001-2000 and CMMI can be compatible and complementary
- “The customer rules” – Many small organizations adopt/adapt business practices directly from their customers or primes
- State of company quality systems has major impact on implementation effort, for good or ill
- Less formal organizational structure means fewer barriers to “knock down”; leadership involvement is not difficult to obtain
- Just In Time Training is critical for small organizations
- Eliminating intimidation factor of CMMI is essential



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How Pilot Artifacts Can Help Small Businesses



Using CMMI in Small Businesses

- CMMI Provides a Set of Best Practices From Which Small Businesses Can Benefit
- The Continuous Representation of the CMMI Allows Small Companies to Focus on Improvements That Have the Highest Payoff for the Company
- Aligning Improvement With Business Goals Is Particularly Important for Small Businesses
- Simple CMMI-Based Improvements Can Have a Significant Impact in Small Organizations
- “Changing” the Practices Isn’t Necessary in Most Cases; Finding Alternative Practices Is Often Relevant
- Both CMMI and SCAMPI A Scale Down to Fit Small Settings

✓ ***The Greatest Challenge for Small Businesses Is the Affordability of Subject Matter Experts, and the Implementation and Appraisal Costs***



How the Pilot Artifacts Can Help Small Businesses

Three artifacts from the pilot will be available on the SEI website

- Toolkit
- 2 Experience reports

The CMMI for Small Business Pilot artifacts should prove useful in helping small businesses

- Focus their improvement efforts
- Figure out how and where to get started
- Tie their improvements to business goals
- Train their staff
- Realize payoffs early in the improvement
- Improve their ability to prepare for appraisals



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